BEFORE

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 2020-174-WS - ORDER NO. 2020-636

NOVEMBER 24, 2020

IN RE: Application of Blue Granite Water Company) ORDER APPROVING for Approval of a Water and Sewer) WATER AND SEWER Agreement with Fielding Homes, LLC) AGREEMENT

This matter comes before the Public Service Commission of South Carolina ("the Commission") on the request of Blue Granite Water Company ("Blue Granite" or "the Utility") for approval of a water and sewer agreement ("Agreement") between Blue Granite and Fielding Homes, LLC ("Fielding Homes"), pursuant to S.C. Code Ann. Regs. 103-541 and 103-743. Fielding Homes is the developer of certain real estate located in Lake Wylie, South Carolina in York County (the "Properties") comprising Phase 3 of the Paddlers Cove development. The Agreement relates to the Properties.

The Utility and Fielding Homes have negotiated the Agreement under which the Utility will provide water and sewer service to the Properties. In turn, Fielding Homes will construct and install water distribution and sewer collection facilities necessary to serve the Properties according to the terms and conditions of the Agreement. The Paddlers Cove development is located in the Lake Wylie area, whose water supply is partially provided by the water supply interconnection with the City of Charlotte. That interconnection was completed in the fall of 2019, and the Company filed a Water Management Plan with the

Commission on March 1, 2020, in Docket No. 2019-257-WS, pertaining to the Lake Wylie area.

Although the Utility alleged that it has sufficient water and sewer service available to serve the properties subject to the Agreement being filed for approval in this case, this Commission originally questioned the effect of the new subdivision on the water capacity of the Blue Granite Water System's service capacity in York County, as did the Office of Regulatory Staff ("ORS"). In Order No. 2020-554, this Commission required Blue Granite to provide further information pertaining to the impact of the addition of this development on that system. We sought information that Blue Granite has sufficient water supply to meet its obligations to serve current customers as well as any new customers resulting from the new development. On August 28, 2020, Blue Granite responded to the Commission's inquiry. The Utility stated that the additional 91 connections represented by the developer agreement is expected to add 0.0364 million gallons per day (MGD) for a total of 2.0864 MGD in the Lake Wylie service area. The total capacity for the system is 4.0 MGD. Accordingly, we find that, at this time, the Utility has sufficient water supply to serve its present customers and the new customers that would be served as the result of this Agreement.

The Company requests Commission approval of the Agreement and submits that the public convenience and necessity will be served by such approval. Applicant further submits that approval of the Agreement without the need for notice or hearing is appropriate in this case. Inasmuch as the Agreement is not a "new rate, toll, rental, charge, or classification or a new regulation" under S.C. Code Ann. § 58-5-240 or "a new or

changed schedule" under S.C. Code Ann. § 58-5-260, notice and hearing are not required. Because notice and hearing are not required by law, notice and hearing are discretionary on the part of the Commission. Given the nature of the Agreement, because there are no new customers impacted by the Agreement, and because the requisite cost and burden of notice and a hearing would outweigh any benefit to the Utility's ratepayers, approval of the Agreement without the need for notice or hearing is appropriate in this case. ORS has reviewed the Agreement and found that the Agreement is consistent with S.C. Code Ann. Regs.103-541 and 103-743.

Considering all of these matters, we approve the water and sewer agreement between Blue Granite Water Company and Fielding Homes, LLC for service to Phase 3 of the Paddler's Cove development. Since no new rates are proposed, and because no new or changed schedules are requested, we hold that no notice or hearing is required by law, since, in this case, notice and hearing are discretionary with the Commission. We also find that the Agreement is consistent with S.C. Code Ann. Regs. 103-541 and 103-743.

This Order shall remain in full force and effect until further order of the Commission.



Justin T. Williams, Chairman Public Service Commission of South Carolina